

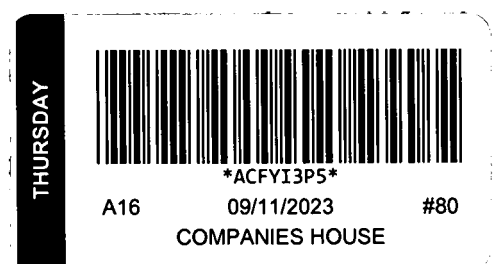
Mencap Limited

Company registration number: 00889191

Mencap Limited

Report and financial statements

31st March 2023



Financial Statements

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Officers and professional advisers

Directors

K Cearns (appointed 14 September 2022)

R Blakey (appointed 14 September 2022)

P Hughes (appointed 14 September 2022)

S Kelly (resigned 14 September 2022)

M O' Hagan (resigned 14 September 2022)

D Williams (resigned 14 September 2022)

Secretary

K Desai (appointed 14 September 2022)

Company number

00889191

Registered office

6 Cyrus Way,
Hampton,
Peterborough
PE7 8HP

Bankers

Barclays Bank PLC
Level 28
1 Churchill Place
London
E14 5HP

Auditor

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Directors' report

This directors' report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 relating to companies subject to the small companies' regime.

The directors present their report and the audited financial statements for the year ended 31 March 2023.

Activities

The principal activities of the company were conducting the trading activities of the Mencap group. The company sells cards and gifts, as well as operating the retail gift aid scheme in Mencap shops. The company also provides Disclosure Barring Service (DBS) checks for charities, companies, and single applicants, as well as Royal Mencap Society staff and volunteers.

With effect from 1st April 2018, Mencap Limited has taken over activities related to the organisation of promotional activities from Mencap Promotions Limited, also a subsidiary of Royal Mencap Society.

Review of results and future prospects

The results for the year to 31 March 2023 are set out in the attached financial statements. The company made an operating profit of £152,964 (2022: profit of £210,465). This decrease is due to demand for our Disclosure and Barring Service (DBS) checks returning to a normal level after a post-Covid surge in 2021-22. There was also an increase in Cost of Sales due to higher payroll costs. The decrease in DBS income was partially offset by a small increase in retail income due to our trading no longer being affected by Covid restrictions in 2022-23. The directors intend to continue with the present activities of the company, including those taken over from Mencap Promotions Limited. We expect activity on DBS checks and retail to broadly continue at the 2023 level.

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgments and estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The following statements have been affirmed by each of the directors of the company:

- so far as each director is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

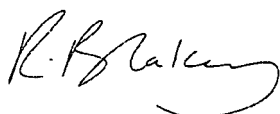
Auditor

Crowe U.K. LLP have expressed their willingness to be reappointed as statutory auditor in accordance with Section 485 of the Companies Act 2006.

In preparing the directors' report advantage has been taken of the small companies' exemption.

Approved by the board of directors on

2023 and signed on behalf of the board by:



Richard Blakey

Director

Independent Auditor's Report to the Members of Mencap Limited

Opinion

We have audited the financial statements of Mencap Limited for the year ended 31 March 2023 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material

misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases and reading minutes of meetings of those charged with governance.

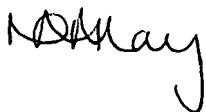
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 7th September 2023

Mencap Limited

Profit and Loss Account

Year ending 31 March 2023

	Note	2023 £	2022 £
TURNOVER	1	431,157	456,686
Cost of Sales		<u>(262,948)</u>	<u>(224,954)</u>
GROSS PROFIT		168,209	231,732
Administration Expenses		<u>(15,245)</u>	<u>(21,267)</u>
OPERATING PROFIT	2	152,964	210,465
Payment under Gift Aid	3	<u>(152,964)</u>	<u>(210,465)</u>
Result for the year		-	-
Profit and loss account brought forward		-	-
Profit and loss account carried forward		<u>-</u>	<u>-</u>

The notes on pages 11 to 12 form part of these financial accounts

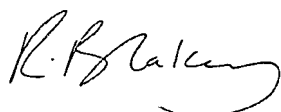
Mencap Ltd

Balance Sheet as at 31 March 2023

	Note	2023	2022
		£	£
CURRENT ASSETS			
Stocks - finished goods		19,025	16,335
Debtors	6	54,456	39,907
Cash at bank and in hand		7,698	66,122
		<hr/> 81,179	<hr/> 122,364
CREDITORS: amounts falling due within one year	7	(81,177)	(122,362)
		<hr/> 2	<hr/> 2
NET CURRENT LIABILITIES			
CAPITAL AND RESERVES			
Called up share capital		2	2
Profit and Loss account			
		<hr/> 2	<hr/> 2
SHAREHOLDERS' FUNDS			

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS102 Section 1A small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Richard Blakey

Director

Date 23/08/2023

The notes on pages 11 to 12 form part of these financial statements

Notes to the accounts

Year ended 31 March 2023

1. Accounting policies

Statutory information

Mencap Limited is a private company, limited by shares, domiciled in England and Wales, registration number 00889191. The registered office is 6 Cyrus Way, Hampton, Peterborough, England, PE7 8HP.

Accounting convention

The accounts have been prepared in accordance with the Financial Reporting Standard for Small Entities effective April 2008 and the provisions of FRS 102 Section 1A – small entities. There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

The financial statements are prepared under the historical cost convention in £ sterling.

During the year, a review was undertaken of the allocation of payroll costs between Mencap Limited and its parent, Royal Mencap Society with the underlying basis being updated. The comparative figures have been updated to reflect this change.

Turnover

Turnover arises from the company's principal activity carried out in England, Wales and Northern Ireland. All income is recognised in the profit and loss account when the conditions for income receipt have been met and there is reasonable assurance of income receipt.

Stocks

Stocks, which comprise stationery and goods for resale, are stated at the lower of cost and net realisable value.

Debtors and creditors

Short term debtors are measured at transaction price less any impairment. Short term creditors are measured at transaction price.

Going concern

The financial statements have been prepared on a going concern basis as the company considers that it has adequate resources to continue in operational existence for the foreseeable future.

2	Operating Profit	2023 £	2022 £
	Operating profit on ordinary activities is stated after charging:		
	Auditor's remuneration - audit fees	11,491	10,473

3 Payment under gift aid

The company covenants to pay over its taxable profit for any year to Royal Mencap Society. The company made a payment of £152,964 under gift aid to Royal Mencap Society for the year ended 31 March 2023 (2022: £210,465).

4 Employees

All staff engaged in the activities of the company are employed by Royal Mencap Society which charges the company with staff costs incurred. The company has no employees.

None of the directors received any remuneration during the year for their services to this company (2022: nil)

5 Taxation

The company did not incur a tax charge in respect of its operating profit as carried forward losses were available to offset the taxable profit.

6 Debtors	2023	2022
	£	£
Trade Debtors	54,319	39,907
Other Debtors	137	-
	<u>54,456</u>	<u>39,907</u>

7. Creditors

	2023	2022
	£	£
Trade Creditors	22,892	(370)
Amounts owed to group undertakings	12,885	72,607
Other Creditors	125	254
Accruals and deferred income	<u>45,275</u>	<u>49,871</u>
	<u>81,177</u>	<u>122,362</u>

8. Ultimate parent company and controlling party

In the opinion of the directors the ultimate parent company and controlling party is Royal Mencap Society, a company registered in England and Wales. Copies of the group financial statements of Royal Mencap Society may be obtained from Mencap, 6 Cyrus Way, Hampton, Peterborough, England, PE7 8HP.